

# **EXHIBIT 3**

GIANT EAGLE / HBC

ONLY Hydro from HBC - stopped distributing October 2014  
GERXDC began distributing CII – CV February 2016  
Additional Distributors – McKesson and Anda  
14 Pharmacies – 7 in Lake County and 7 in Trumbull County  
HBC Facility Washington, PA / GERX Facility Freedom, PA  
30 (B) Tsipkakis  
NO THRESHOLDS NOV 2009 – Oct 2013  
No Written SOMS until August 2014  
NO SUSPICIOUS ORDERS Reported  
DUE Diligence: Minimal evidence of D.D., 30B stated no documentation of D.D. from 2009 to 2014.

**SOM November 2009 – August 1, 2014**

1. No written policy
2. No thresholds until Mid-October 2013
3. HBC/GE claims SOM was:
  - a. Warehouse pickers
  - b. Warehouse Superintendent
  - c. DC procurement team
4. Mid October 2013 THRESHOLDS
  - a. 3 x 12 month Company-wide Average by base code
  - b. FLAWS
    - i. Tracked shipped orders – post
    - ii. “Company-wide” average
    - iii. Did not block orders
    - iv. Systematically ignored

**SOM 2016 Revised – GERXDC Opened February 2016**

February/March 2017 Revised policies  
February 2, 2017 – Order Monitoring System Policy and  
March 26, 2017 - GE Suspicious Order Monitoring

Algorithms Added to identify suspicious orders to be investigated before shipping

OMS Algorithm generated threshold limits and blocked orders based on:

- Pharmacy location; Chemical Type
- General product indicator
- NDC code; Ordering pattern

OMS added 4 levels of review prior to release or report

1. Mapping providers
2. Payment Types
3. Historic physical Inventory
4. Investigator level reviews (Interviews or store covert investigations)